

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 6240H.011
 Bill No.: HB 2819
 Subject: Taxation and Revenue - Sales and Use; Taxation and Revenue - General;
 Department of Revenue; Business and Commerce
 Type: Original
 Date: January 23, 2026

Bill Summary: This proposal modifies provisions relating to certain cash transactions requiring rounding to the nearest five cent denomination.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>Other</u> State Funds	\$0	\$0	\$0

Numbers within parentheses: () indicate costs or losses.

ESTIMATED NET EFFECT ON FEDERAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Total Estimated Net Effect on FTE	0	0	0

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

Estimated Net Effect (savings or increased revenues) expected to exceed \$250,000 in any of the three fiscal years after implementation of the act or at full implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS

FUND AFFECTED	FY 2027	FY 2028	FY 2029
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

§144.285 - Sales Transaction Rounding

Officials from the **Department of Revenue (DOR)** assume in October 2025, the U.S. government stopped minting pennies. Since that time concern has been raised about the collection and remittance of sales tax when retailers may not have access to pennies. If a receipt shows \$93.27 cents due from the purchase price and sales tax combined, but the retailer does not have pennies to provide change, how should this situation be handled.

This proposal proposes a fix. For all credit, debit and other non-cash transactions, nothing needs to change. For cash transactions, a retailer would be allowed to round up or down the final price once sales tax is combined before the customer pays the bill.

DOR notes this provides guidance to vendors and retailers. DOR assumes this will have a limited impact on revenue as most transactions are non-cash transactions. For the few cash transactions, there will be about an equal number of transactions rounded up as rounded down. DOR notes that the decision to allow cash transactions is up to each retailer.

DOR expects minimal impact from this proposal.

Oversight notes DOR expects minimal impact from this proposal. Therefore, Oversight will not reflect an impact in the fiscal note for this agency.

Officials from the **Office of Administration-Budget and Planning** assume this proposal would allow vendors to round the final total due for items purchased with cash. This legislation would provide clarity to vendors when determining whether to round up or down, given the current penny shortage. Non-cash payments will not be rounded. Vendors are required to collect the sales tax on the original sales price, not the final rounded price. Therefore, this provision will not impact state or local revenues.

Officials from the **Department of Commerce and Insurance** assume the proposal will have no fiscal impact on their organization.

Oversight notes that the above-mentioned agencies have stated the proposal would not have a direct fiscal impact on their organization. Oversight does not have any information to the contrary. Therefore, Oversight will reflect a zero impact on the fiscal note.

<u>FISCAL IMPACT – State Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

<u>FISCAL IMPACT – Local Government</u>	FY 2027 (10 Mo.)	FY 2028	FY 2029
	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

FISCAL IMPACT – Small Business

No direct fiscal impact on small businesses would be expected as a result of this proposal.

FISCAL DESCRIPTION

The proposed legislation appears to have no direct fiscal impact.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Revenue
 Department of Commerce and Insurance
 Office of Administration-Budget and Planning



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 Director
 January 23, 2026



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 January 23, 2026